

By: Villarreal

H.B. No. 312

A BILL TO BE ENTITLED

AN ACT

relating to the accrual of interest on overdue child support.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 157.265, Family Code, is amended to read as follows:

Sec. 157.265. ACCRUAL OF INTEREST ON CHILD SUPPORT. (a) Interest accrues on the portion of delinquent child support that is greater than the amount of the monthly periodic support obligation at the rate of 9 [~~six~~] percent simple interest per year from the date the support is delinquent until the date the support is paid or the arrearages are confirmed and reduced to money judgment.

(b) Interest accrues on child support arrearages that have been confirmed and reduced to money judgment as provided in this subchapter at the rate of 9 [~~six~~] percent simple interest per year from the date the order is rendered until the date the judgment is paid.

(c) Interest accrues on a money judgment for retroactive or lump-sum child support at the annual rate of 9 [~~six~~] percent simple interest from the date the order is rendered until the judgment is paid.

SECTION 2. (a) Section 157.265(a), Family Code, as amended by this Act, applies to a child support payment that becomes due on or after September 1, 2003.

1 (b) Child support arrearages in existence on September 1,
2 2003, and not confirmed and reduced to a money judgment before that
3 date accrue interest as follows:

4 (1) before September 1, 2003, the arrearages are
5 subject to the interest rate that applied to the arrearages before
6 that date; and

7 (2) on and after September 1, 2003, the cumulative
8 total of arrearages and interest accumulated on those arrearages
9 described by Subdivision (1) of this section is subject to Section
10 157.265(a), Family Code, as amended by this Act.

11 (c) Sections 157.265(b) and (c), Family Code, as amended by
12 this Act, apply to a money judgment for child support rendered on or
13 after September 1, 2003. A money judgment for child support
14 rendered before September 1, 2003, is governed by the law in effect
15 on the date the judgment was rendered, and the former law is
16 continued in effect for that purpose.

17 SECTION 3. This Act takes effect September 1, 2003.